

Rhode Island Infrastructure Bank
Clean Water SRF Program
Preliminary Rate and Loan Debt Schedule Comparison
Borrowing Amount: \$20.0M vs \$18.0M

Loan Amount: \$20M

Debt Service Increase
Increase Cost of Operations
Total Dollar Impact

Annual Net Debt Service & Cost of Operations Increase			
FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 thru 2035-36
\$ 178,024	\$ 1,383,436	\$ 1,405,099	\$ 1,404,255
\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
\$ 578,024	\$ 1,783,436	\$ 1,805,099	\$ 1,804,255

Impact on Tax Rate: \$20M

Debt Service Increase
Increase Cost of Operations
Total Impact on Tax Rate (1)

\$ 0.16	\$ 1.26	\$ 1.28	\$ 1.28
\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37
\$ 0.53	\$ 1.63	\$ 1.65	\$ 1.65

Loan Amount: \$18M

Debt Service Increase
Increase Cost of Operations
Total Dollar Impact

Annual Net Debt Service & Cost of Operations Increase			
FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 thru 2035-36
\$ 177,464	\$ 1,258,514	\$ 1,265,064	\$ 1,263,998
\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
\$ 577,464	\$ 1,658,514	\$ 1,665,064	\$ 1,663,998

Impact on Tax Rate: \$18M

Debt Service Increase
Increase Cost of Operations
Total Impact on Tax Rate (1)

\$ 0.16	\$ 1.15	\$ 1.15	\$ 1.15
\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37
\$ 0.53	\$ 1.51	\$ 1.52	\$ 1.52

Impact on Tax Rate: \$20M

Impact on Tax Rate: \$18M

Difference:

Impact on Tax Rate Comparison			
FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 thru 2035-36
\$ 0.53	\$ 1.63	\$ 1.65	\$ 1.65
\$ 0.53	\$ 1.51	\$ 1.52	\$ 1.52
\$ 0.00	\$ 0.11	\$ 0.13	\$ 0.13

Loan Amount: \$20M

Loan Amount: \$18M

Difference:

Cost of Borrowing Comparison		
Principal	Interest/Fees	Total
\$ 20,000,000	\$ 6,724,239	\$ 26,724,239
\$ 18,000,000	\$ 6,081,522	\$ 24,081,522
\$ 2,000,000	\$ 642,717	\$ 2,642,717

Note (1): Tax rate impact is based on the FY 2016-17 Budgeted ratable base.

Note (2): \$2.6M was included in the FY 2016-17 budget to create an education reserve for the ongoing litigation related to the Education Funding Formula. The Tax Rate impact of this reserve in FY 2016-17 was \$2.37. If the appeal filed by BWRSD and the Town of Bristol is denied, the Town of Warren could see an estimated \$2.37 decrease in the tax rate in future years, hence negating the increase of the cost of the sewer project borrowing.